October 21, 2009

## Sent via Email and Fax

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
Room 2111
1401 Constitution Avenue, N.W.
Washington, DC 20230

Re: Comment in Response to Public Hearing, Docket 20-2009

Dear Mr. McGilvray:

We represent Dow Corning Corporation. In response to the question posed by Ms. Whiteman, the case examiner, at the public hearing on September 2, 2009, we are providing the following information.

## Question:

What percent of the intermediary products needed at Dow Corning's manufacturing facilities abroad are supplied by the Carrollton, Kentucky plants?

## Answer:

Dow Corning's U.S. supply chain strategy is to only import materials where it does not have locally viable alternatives.

It is also very inefficient to produce intermediate materials in the United States and then export those products for further downstream processing in non-U.S. Dow Corning manufacturing facilities. Dow Corning's preference is to export finished materials directly to customers.

However, Kentucky is a source of back-up supply to Asia. For example, if the Barry, UK plant cannot supply sufficient intermediates to Asia then Kentucky would supply. In exceptional circumstances, any Dow Corning plant in the world could be a source of back up supply to another if the alternative is production interruptions or plant shutdowns.

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Overall and based on a two year review of production data, Dow Corning estimates that annually less than 5% of production from Kentucky goes to Dow Corning manufacturing plants outside of the United States for further processing.

Respectfully submitted,

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Brandi Hanback
Managing Director

cc: Ms. Elizabeth Whiteman, Case Examiner, U.S. Foreign-Trade Zones Board

Michael Searcy, Global Strategic Procurement Manager, Dow Corning Corporation